



0000017167

RECEIVED

Water Quality

Jeff Stuck
Drinking Water Section Manager
Arizona Department of Environmental Quality
1110 West Washington Street
Phoenix, AZ 85007

2005 MAR 10 A 11:49

ARIZONA AMERICAN WATER COMPANY
DOCUMENT CONTROL

Name Nina Miller
Phone 623-445-2406
Fax 623-445-2454
E-Mail Nina.Miller@amwater.com

WS-01303A-02-0867
WS-01303A-02-0868
WS-01303A-02-0869
WS-01303A-02-0870
W-01303A-02-0908
W-01303A-01-0983

March 9, 2005

RE: **Request for an Exemption from the new arsenic MCL for Arizona American Water Company-Tubac, PWS 12001**

Dear Mr. Stuck:

As permitted under A.A.C. R18-4-111, Arizona American Water Company (AAW) is requesting an exemption for our Tubac water system from the new, lower arsenic standard which will be effective January 23, 2006. AAW has designs for arsenic treatment in Tubac, and continues to focus on compliance with the January 23, 2006 MCL standard, however, AAW is requesting an exemption from the arsenic MCL due to the following:

1. The Tubac community understands that the EPA has instructed primacy agencies to grant exemptions in cases where undue burdens will result from compliance with the new arsenic MCL, and
2. The community believes the treatment AAW is planning on installing (iron based sorbent media) would cause an undue economic hardship on the community, due to the communities' rates being cost based. The potential rate increase request due to arsenic treatment as currently planned could be as much as \$60 per resident per month. The community does not object to the new standard, but would like to delay treatment installation as new technologies that may be less costly may emerge within the next year.

AAW is requesting a 12 month exemption in order to continue to identify treatment options so that we may serve the community water that meets EPA standards and is affordable. AAW believes this exemption will not cause an unreasonable risk to public health because the current MCL has been in effect for over 40 years.

Tubac community members have heard that very few small water systems have even started the process of compliance with the January deadline, and many have no plans to install treatment by that date. The community is concerned that other similarly situated water systems will not be held to the same standard as the Tubac water system. In essence, other systems may not make the effort to comply with the new MCL and will not install treatment equipment. In turn, they will not be pressured to comply with the new arsenic standard by ADEQ, as the notion of an owner of a small system abandoning the system because of bankruptcy, does not promote public health.

Arizona Corporation Commission
DOCKETED
MAR 10 2005
DOCKETED BY
AM

Arizona American Water

19820 N. 7th Street - Suite
201
Phoenix, Arizona 85024
USA

T +1 623 445 2400
F +1 623 445 2451
I www.amwater.com

As AAW continues to move forward with complying with the new MCL, we ask ADEQ to grant an exemption of 12 months, allowing AAW and the Tubac community to continue to work through the uncharted waters of compliance with a rule that has such a significant impact. AAW is submitting this letter as a preliminary application and upon ADEQ's request AAW will submit additional information necessary to support this request.

If you have any questions about this request please contact me at (623) 445-2406.

Sincerely,

A handwritten signature in black ink, appearing to read "Nina Miller". The signature is fluid and cursive, with the first name "Nina" and last name "Miller" clearly distinguishable.

Nina Miller
Environmental Compliance Manager
Arizona American Water Company

Enclosures

cc: Gary Brasher, Santa Cruz Valley Citizens Council
Brian Biesemeyer, AAW
Tom Broderick, AAW